

# **FISCAL MEMORANDUM**

## **SB 2892 – HB 2874**

April 18, 2008

**SUMMARY OF AMENDMENT (015479):** Authorizes career service state employees to serve as election officials and grants such employees two additional days of paid leave per year. Requires the Tennessee Higher Education Commission (THEC) in concert with the Tennessee Campus Compact and in consultation with public and private colleges and universities to develop a program of civic engagement and community service to encourage students to volunteer as election officials. Requires THEC to report on this program in its 2009 and 2010 annual reports.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Decrease Local Gov't. Expenditures – Exceeds \$50,000

Other Fiscal Impact – Any value associated with days off from work for those career service state employees electing to perform as election officials would be allocated payroll costs and not require a direct state appropriation. An increase in state expenditures would occur for those employees (on paid leave) in state positions which would require overtime for replacement employees to perform operations of such employees (such as highway patrolmen, corrections officer, nurses, etc.). The increase in state expenditures would depend on many variables, but is estimated to exceed \$21,000 annually.

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions applied to amendment:

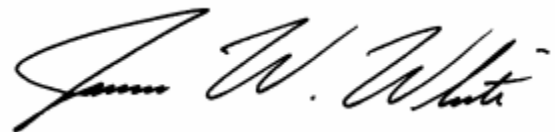
- There are approximately 40,000 career service state employees who could elect to perform as election officials. At least 1% or 400 career service state employees would participate and utilize two additional days of paid leave per year.
- Allocated payroll costs are expected to exceed \$118,000.
- Any one-time costs to change electronic software and state records to document this type of leave are estimated to be not significant.
- Overtime costs would be incurred where staffing must be maintained by replacement employees for those career service employees using leave

provided in this bill. The state paid approximately \$42,000,000 in overtime payments in FY06 to career service state employees. Total overtime payments would increase by .05 percent to compensate for the lost hours at a cost of at least \$21,000.

- A loss of productivity from employees using this additional leave would be realized for those employees whose work duties would be reassigned to other state employees without any overtime payments being incurred by the state.
- There would be a decrease to local government expenditures due to local governments not compensating career service employees who choose to work as election officials since such employees would be granted additional days of paid leave per year instead. Such decrease in local government expenditures is estimated to exceed \$50,000. (400 employees x 2 days x average of \$80 per day = \$64,000).
- Any cost to THEC and the higher education institutions to develop a program of civic engagement and community service to encourage students to serve as election officials can be accommodated within existing resources without an increased appropriation or reduced reversion.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rct